

APPROVED FEBRUARY 3, 2010

At 7:00 PM Chairman Charles Kimball called the meeting to order. Budget Committee members present were Charles Kimball, Andy Kohlhofer, Mike Nygren, Peg Pinkham, Sue D'Eon, Pat Martel, Laurie Allore, Selectman Greta St. Germain and Recording Secretary Jeanne Nygren. Others present were School Superintendent Bill Lander, School Board members Ida Keane and Deb Genthner, Attorney Kathy Peale, Carol Foley, and Kathie Richards.

A motion to approve the minutes of the January 12, 2010 Budget Committee meeting and the Public Hearing minutes was made by Martel. This was seconded by Pinkham. The vote was unanimous at 8-0.

A motion to approve the minutes of the January 13, 2010 Budget Committee meeting was made by Kohlhofer with several grammar changes. This was seconded by St. Germain. The vote was 6-2 with Allore and Pinkham abstaining.

Attorney Kathy Peale was present tonight to go over the two Collective Bargaining Agreements. This is her third time presenting the school district on behalf of the School Board on two Collective Bargaining Agreements which included the teachers and support staff association agreements. This is the third time for the support staff and the second time for the teacher's agreement. They were successful with both associations on an agreement. She started with the support staff in which the elimination of the health insurance was the largest change. This agreement included the addition of health insurance in the bargaining agreement for support staff, para professionals, secretaries and custodians who make up this bargaining unit. The union wanted insurance added for this bargaining unit. The School Board also agreed. This entailed a large sum of money even with the selection of single plan coverage in the amount of around \$100,000. The union cooperated and came to the table that they proposed that they would withdraw this and it has been pulled from the agreement. This brings the cost of each of the two years at \$25,594.20 and 20,758.32 for the second year in contract changes. This is a significant change. This is a two year package that does not include any retroactive lump sum payments to make up for the past years. These employees have not had raises for the past two years and their agreement did not require step increases. In the absences of an agreement they were frozen where they were at, with no COL increases, as well as no step increases. There is no lump sum to make up for this and no cost of living adjustment. Their salary scheduled will remain as it has been the past two years. The employee will get a step on that salary scheduled beginning July 1 if this is passed at the annual meeting this year. One feature is an attempt to bring some parity to this group of employees who have been with the district during this period of time. They will get in January in each of the two years an additional step and by the end of the two year agreement they will be where they should be. By having this additional step effective in January, and not July, they will reduce the cost of that step by half. These are the highlights. The language changes are minor and there is nothing else substantial. She also mentioned that because of the Evergreen Law change, and if an agreement is not met during negotiations or approved at annual meeting, these employees would get their step increase automatically, and it would be included in the operating budget or default budget.

Kohlhofer asked if there is an Evergreen agreement in their contract. Peale said not in the support staff group but the teachers do have this clause. Kimball raised the fact that a lot of people are not getting raises in the country, and some have to take a pay cut in their jobs. Kohlhofer asked

if they have the health insurance in the contract and who the carriers would be so they could be more flexible in their negotiations, and this has become one of his concerns. Peale said this is pertinent to the teachers than the support staff. When they were adding coverage for the support staff they were not going to adopt a different plan for that. There has been an effort to look at other health insurance over the past 18 months. Superintendent Lander has met with the insurance carriers and reviewed options, but they were running out of time and needed to reach an agreement. This agreement was left with where they were, and the teachers also wanted to look at other options as well and they want to start earlier next year so they are not up against a time crunch. Nygren (assuming this passes) asked what is the cost of the pay scale in the three steps being added to the pay scale. Peale doesn't have this broken out in this way. The cost of adding this at this time is zero. Nygren said with Evergreen clause if you have an employee at Step 8 and then goes to Step 11, you have to figure the cost going forward with this. The initial cost is \$25,000 but over the life of the contract this is money not in this contract now. Peale can't break it out the way he is asking. She said it is only the employees who have reached the top and there are a large number of employees at the lower end due to a high turnover. There was an existing contract that had to continue forward and this contract language created a problem, and this was worse than having three additional steps. These employees who had reached the top were getting 5 % every year and therefore getting further off scale.

Peale stated that most likely health insurance will be brought up again and hopefully the economic situation will improve in two years when negotiations come up again. Kohlhofer said there needs to be flexibility in the health plans at negotiation time.

Peale pointed out there was a high rate of turnover amongst the support staff and she speculated this is probably due to no raises over the past two years and she urged support by the Budget Committee. The teacher's contract expired on June 30, 2009 and this contract did include the Evergreen clause which did include step increase but no COLA. They reached an agreement for a one year contract as opposed to a two year agreement. The reason for the difference was because they took so long to agree, and that in light of the economy they could not look beyond a one year agreement. This does not include the COLA agreement, and they will only get a step increase at the cost of \$19,490.08. There were 16 teachers already at their top step last year that received the \$1000.00 stipend. Any other changes are minor and the total increase in extra curricular compensation is \$450.00. They realigned some of the stipends in coaching and extra curricular positions. Another change was that they also increased the perfect attendance bonus and the way it was paid out, instead of twice a year, it is paid three times a year at the cost of \$450.00 total.

Kohlhofer asked if there were any increases in the insurance premium. Peale said no there was no change. Lander said they pulled out of a group with Epping and Chester and they went on their own at a lower rate for a savings to Fremont. The estimate rate was up 27% and after talking with their agent and getting another package it brought this down to 10%, which is a 17% change in cost to the School. There were a few language changes which are highlighted in the summary passed out to the Committee. St. Germain asked what percent do the teachers pay of their health insurance? Lander said this depends upon their plan enrollment and they pay 14% as an average. Peale urged the Budget Committee to support this agreement. The Budget Committee thanked her for her time and she left the meeting at 7:45 PM.

The Budget Committee started to go through the budget book to make their recommendations, giving their rationale for cutting and motions with their recommendations.

2110 TRUANT OFFICER

A motion to recommend line 2110 Truant Officer at \$1.00 was made by Kimball. This was seconded by Nygren. The vote was unanimous at 8-0.

2120 GUIDANCE

St. Germain (while looking at the January Financial Report by function) said their budget was \$157,000 for 6 months of the year and to date they only spent \$70,000. Pinkham said a lot of the programs don't really kick in until September and also they may not have been billed at this point. St. Germain asked what would kick in come September and what needs to be spent. Pinkham doesn't know what has been ordered and still left to come in and she will get a breakdown from the financial as a lot has to do with billing. Pinkham asked if there were specific questions to get them prepared and she will have the Financial Administrator get these answers. St. Germain feels there are a lot of loose ends in this budget that is difficult to follow. Pinkham said that Sandstrom can come in next week to address some of St. Germain's concerns if necessary. St. Germain asked what dates the school year encompasses. Pinkham said from July 1, 2010 to June 30, 2011.

A motion to recommend function 2120 Guidance in the amount of \$159,428.00 was made by Kohlhofer. This was seconded by Nygren. The vote was 7-1 with the nay vote from St. Germain.

Nygren asked again on the budget that was passed at school meeting against what dollar amount was requested and where the money was moved. Sandstrom was going to provide these figures but the Committee still hasn't received them.

St. Germain again while looking at the Financial Report provided on the health insurance line as a whole, on page 3 of 19, there looks like a \$33,265.00 surplus in this line function for the remainder of the year. She has also calculated all the supply lines throughout the budget and this totals \$100,000.00.

2130 HEALTH

Allore asked about the computer software and what this is used for. Pinkham said it is used for charting, especially the students on medications as well as used in the nurse's usual daily operations.

A motion to recommend function 2130 Health in the amount of \$111,893.00 was made by Pinkham. This was seconded by D'Eon. The vote was unanimous favor 8-0.

2140 PSYCHOLOGICAL

A motion to recommend function 2140 Psychological in the amount of \$53,233.00 which is the fiscal year 2010 budgeted amount was made by Nygren. This was seconded by St. Germain. The vote was 7-1 with a nay vote from Pinkham.

A motion to reduce function line 5220 Psych FICA by \$227.68 to \$4072.32 was made by Kohlhofer. This was seconded by St. Germain. The vote was unanimous 8-0.

Ida Keane mentioned that the cut recommended by the Budget Committee actually dropped the psychologist salary back to the 2008 levels as the budget demonstrated a 6 percent increase.

While going through this section the top line printed on page 40, it was noticed that the whole line (10-2140-5112-00-00000) is incorrect in the book and Kohlhofer is asking for an amended page.

A motion to reduce function line 5330 Psych Contracted Services by \$6,000.00 to \$42,000 was made by Kohlhofer. This was seconded by St. Germain. The vote was 6-2 with the nay votes by Pinkham and D'Eon.

A motion to recommend in 2140 Psychological the bottom line figure of \$119,323.00 was made by Kohlhofer. This was seconded by Nygren. The vote was 7-1 with the nay vote by Pinkham.

2150-SPEECH/AUDIO SERVICES

A motion to reduce function line 5650 Speech Computer Software from \$1500.00 to \$700.00 with a reduction of \$800.00 was made by St. Germain. This was seconded by Kohlhofer. The vote was 7-1 with the nay vote by Pinkham.

A motion to reduce function line 5731 Speech Equipment from \$1,000.00 to \$500.00 was made by St. Germain. This was seconded by Kohlhofer. The vote was 7-1 with the nay vote by Pinkham.

A motion to recommend function 2150 Speech/Audio Services the bottom line figure of \$220,588.00 was made by Kohlhofer. This was seconded by Allore. The vote was 6-2 with the nay votes by D'Eon and Pinkham.

A motion to recommend function 2150-2153 Audio Contract Services bottom line of \$221,089. was made by Kohlhofer. This was seconded by Martel. The vote was 6-2 with the nay votes by D'Eon and Pinkham.

2162-PHYSICAL THERAPY CONTRACT SERVICES

A motion to recommend function 2162 Physical Therapy Contract Services in the amount of \$12,500.00 was made by Pinkham. This was seconded by D'Eon. The vote was unanimous 8-0.

2163-OCCUPATIONAL SERVICES

A motion to reduce function 5112 OT Salary line to \$102,518.00 from \$105,594.00 was made by Martel. This was seconded by St. Germain. The vote was 7-1 with the nay vote by Pinkham.

A motion to reduce function 5220 OT FICA to \$7,842.63 from \$8,078.00 was made by Kohlhofer. This was seconded by St. Germain. The vote was 7-1 with the nay vote by Pinkham.

A motion to reduce function 5331 OT Contracted Testing to \$1.00 from \$1,000.00 was made by Allore. This was seconded by St. Germain. The vote was 6-2 with nay votes from D'Eon and Pinkham. This motion then was amended to bring to a zero amount by Allore. This was seconded by Kohlhofer. There was no vote and then this function was amended again by Allore

back to the \$1.00 in this line to keep the line open. This was seconded by Nygren. The vote was 6-2 with nay votes by D'Eon and Pinkham.

A motion to reduce function 5610 OT Supplies from \$600.00 to \$300.00 was made by Allore. This was seconded by Kohohofer. The vote was 6-2 with nay votes by D'Eon and Pinkham.

A motion to reduce 5650 OT Computer Software from \$300.00 to \$100.00 was made by Allore. This was seconded by St. Germain. The vote was 6-2 with nay votes by D'Eon and Pinkham.

A motion for bottom line on 2163 Occupational Services to \$168,085.63 which is a reduction of \$4,810.37 was made by Kohlhofer. This was seconded by Nygren. The vote was 6-2 with nay votes by Pinkham and D'Eon.

2169 VISION CONTRACTED SERVICES

A motion to recommend 2169 Vision Contracted Service at \$1.00 was made by Nygren. This was seconded by D'Eon. The vote was unanimous 8-0.

2210-IMPROVEMENT OF INSTRUCTION

A motion to reduce function line 5220 FICA from \$880.00 to zero and function line 5112 Staff Development from \$11,500 to zero was made by Nygren. This was seconded by Martel. The vote was 6-2 with nay votes by Pinkham and D'Eon.

A motion to reduce function line 5232 Teachers Retirement from \$861.00 to zero was made by Kohlhofer. This was seconded by St. Germain. The vote was 6-2 with nay votes by Pinkham and D'Eon.

A motion for the total for function line 2210 Improvement of Instruction at \$39,750.00 for a reduction of \$13,241.00 was made by Nygren. This was seconded by D'Eon. The vote was 6-2 with nay votes from Pinkham and D'Eon.

With no other business a motion to adjourn the meeting was made by Kohlhofer. This was seconded by Nygren. The vote was unanimous 8-0. The meeting ended 9:55 PM.

The next scheduled Budget Committee meeting was scheduled for January 27, 2010 at 7:00 PM.

Respectfully submitted,

Jeanne Nygren
Recording Secretary